

some States that have them, where the manufacturer or the distributor enforces the law by bringing action against somebody who does not keep to the fair trade price. This is a federally enforced thing. Everybody must comply, and if a dealer wants to cut the price, and if he does it more than once so he is being deliberate about it, the Commission may have to consider whether or not we want to refer him for criminal prosecution. At the very least we might have to take action by way of injunction.

The Federal Government enforces this, and I know of no other situation like it.

Now the industry—

Mr. KEITH. You are going to speak to the unique reasons.

Mr. COHEN. Yes, sir; I am coming to this.

Mr. KEITH. As to why this should be enacted by Congress.

Mr. WATKINS. Mr. Chairman, will you yield?

Mr. MOSS. Mr. Watkins.

Mr. WATKINS. Why do you direct that to me so much? I read your testimony.

Mr. COHEN. I am sorry, I am just turning this way and that. I don't think I have been paying you enough attention until now, Mr. Watkins, and I want to give you an equal amount of attention.

Mr. WATKINS. I have been sitting here listening and I have been quiet today. I don't know if you have had the benefit in this rebuttal, you are accorded the privilege of coming in here after reading the testimony of every witness and knowing everything that has been said here, and with a very capable staff, that is certainly available to you at your wishes to compile a record which I have been sitting here and listening to, and which I appreciate. I like to listen though I don't always agree with what I hear. But—

Mr. COHEN. This is a disease that all of us have on one occasion or another.

Mr. WATKINS. You talk about the various States and all. You get into that. In compiling your facts and all, have you ever called on the State of Pennsylvania Securities Commission?

Mr. COHEN. Have we what, sir?

Mr. WATKINS. Have you ever called in the State of Pennsylvania, the Securities Commission?

Mr. COHEN. On this issue, no.

Mr. WATKINS. To get their views on what is happening. We are regulating there.

Mr. COHEN. Mr. Watkins, we meet fairly regularly with all of the State commissioners. We attend their annual meetings. We have liaison meetings with them, in many areas including the area concerning which we are now speaking, and I can say to you, I don't remember particularly now the action of the Pennsylvania commissioner, but a great many "blue sky" commissioners—and I believe in conventions—they passed a resolution adopting, enforcing and encouraging the recommendations we have made to this Congress. I am talking now about the convention of all the State administrators.

Mr. WATKINS. Endorsed your recommendations?

Mr. COHEN. Yes, sir.

Mr. WATKINS. They did? Endorsed the 5-percent ceiling?